

1 **Albert N. Kennedy**, WSBA No. 15074
(Lead Attorney)

Judge:
Chapter:

Paul B. Snyder
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2 Direct Dial: (503) 802-2013

Facsimile: (503) 972-3713

3 E-Mail: al.kennedy@tonkon.com

Timothy J. Conway, To be Admitted *Pro Hac Vice*

4 Direct Dial: (503) 802-2027

Facsimile: (503) 972-3727

5 E-Mail: tim.conway@tonkon.com

Michael W. Fletcher, To be Admitted *Pro Hac Vice*

6 Direct Dial: (503) 802-2169

Facsimile: (503) 972-3869

7 E-Mail: michael.fletcher@tonkon.com

TONKON TORP LLP

8 1600 Pioneer Tower

888 S.W. Fifth Avenue

9 Portland, OR 97204

10 Attorneys for Debtor

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12 IN THE UNITED STATES BANKRUPTCY COURT

13 FOR THE WESTERN DISTRICT OF WASHINGTON

14 Tacoma Division

15 In re

16 The Columbian Publishing Company,

17 Debtor.

Case No. 09-43133-PBS

**DEBTOR'S APPLICATION TO
EMPLOY THE MOUNTAIN GROUP
AS CONSULTANT FOR DEBTOR**

18 (Submitted Ex Parte)

19 The Columbian Publishing Company, Debtor and Debtor-in-Possession herein
20 ("Debtor"), hereby applies to the Court for an order approving the employment of The
21 Mountain Group as its consultant to assist Debtor in coordinating and conducting its business
22 affairs and activities. Debtor makes this Application pursuant to 11 U.S.C. § 327(e), and
23 Federal Rule of Bankruptcy Procedure 2014, and respectfully represents as follows:

24 **BACKGROUND**

25 1. On May 1, 2008, (the "Petition Date") Debtor filed a voluntary petition
26 for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code. Pursuant to

1 Sections 1107 and 1108 of the Code, Debtor continues to operate its business and manage its
2 property as Debtor and Debtor-in-Possession. No trustee or examiner has been requested or
3 appointed in Debtor's case.

4 2. Debtor has provided notice of this Application to its secured creditors,
5 the 20 largest unsecured creditors, and the Office of the United States Trustee. No unsecured
6 creditors' committee has yet been appointed in this case. Because of the nature of the relief
7 requested, Debtor respectfully submits that no further notice of the relief requested is
8 necessary or required under the circumstances.

9 3. Debtor desires to retain and employ The Mountain Group as its
10 consultant in this Chapter 11 case, pursuant to Section 327 of the Code, to assist Debtor in
11 managing its business, directing its affairs, negotiating with banks, assessing real estate
12 holdings, improving its cash flow, and enhancing its overall business operations. Debtor has
13 asked The Mountain Group to assist it in these and related matters as needed throughout the
14 course of these proceedings.

15 4. Debtor believes that The Mountain Group is well suited for this
16 representation. The Mountain Group has been assisting Debtor since prior to the filing of the
17 bankruptcy petition and is familiar with Debtor's overall business structure and operations.

18 5. Subject to Court approval, Debtor has agreed to compensate The
19 Mountain Group on an hourly basis at rates varying from \$50 to \$425 per hour. The
20 Mountain Group individuals who will be primarily responsible for providing the services are
21 Kevin Adams (\$425 per hour) and Bere Lindley (\$150 per hour).

22 6. The Mountain Group will maintain detailed, contemporaneous time
23 records of expenses incurred with the rendering of services described above by category and
24 nature of services rendered.

25 7. The Mountain Group has received a retainer on behalf of Debtor in the
26 total amount of \$40,000. Prior to the filing of the bankruptcy petition, The Mountain Group

1 applied \$7,181 from the retainer for prepetition services rendered prior to the Petition Date.
2 The remaining balance of \$32,819 is held as a retainer.

3 8. In August 2008, Debtor and The Mountain Group entered into a
4 Consultancy Agreement, a copy of which is attached hereto as Exhibit 1. Within the 12-
5 month period preceding the Petition Date, The Mountain Group has provided consulting
6 services to Debtor. The total cost of consulting services provided by The Mountain Group to
7 Debtor prior to the filing of the petition was approximately \$210,000, which was paid prior
8 to the Petition Date. The Mountain Group may seek payment of additional fees or costs
9 related to this Chapter 11 case incurred prior to the bankruptcy filing from the bankruptcy
10 estate, subject to Court approval.

11 9. Except as disclosed in the accompanying Declaration of Kevin Adams
12 in Support of Application to Employ The Mountain Group (Rule 2014 Verified Statement),
13 to the best of Debtor's knowledge, The Mountain Group does not represent any other entity
14 having an adverse interest in connection with this Chapter 11 case, or have any connection
15 with Debtor, its creditors, any other party in interest, their respective attorneys and
16 accountants, the United States Trustee or any person employed in the office of the United
17 States Trustee, or any District of Washington bankruptcy judge.

18 10. The Mountain Group has represented to Debtor that The Mountain
19 Group professionals who will be primarily responsible for providing the consulting services
20 have read Local Bankruptcy Rule 2016-1.

21 11. A copy of the (Proposed) Order Authorizing Employment of The
22 Mountain Group as Consultant for Debtor is attached as Exhibit 2 .

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1 For the reasons stated in this Application, Debtor requests that the Court enter
2 an order, effective as of the filing date of this Application, authorizing Debtor to employ The
3 Mountain Group as its consultant to assist Debtor in the coordination and conduct of its
4 business affairs and activities on an hourly basis, with compensation and reimbursement of
5 expenses to be paid as an administrative expense in such amounts as may be allowed by this
6 Court after notice and hearing or as otherwise provided by Court order.

7 DATED this 1st day of May, 2009.

8 Respectfully submitted,

9 THE COLUMBIAN PUBLISHING COMPANY

10 By /s/ Scott Campbell
11 Scott Campbell, President

12 Presented by:

13 TONKON TORP LLP
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15 By /s/ Albert N. Kennedy
16 Albert N. Kennedy, WSBA No. 15074
17 Timothy J. Conway, to be admitted *Pro Hac Vice*
Michael W. Fletcher, to be admitted *Pro Hac Vice*
Attorneys for Debtor

Judge:
Chapter:

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
Tacoma Division

In re
The Columbian Publishing Company,
Debtor.

Case No. 09-43133-PBS

**(PROPOSED) *EX PARTE* ORDER
AUTHORIZING EMPLOYMENT OF
THE MOUNTAIN GROUP AS
CONSULTANT FOR DEBTOR**

THIS MATTER having come before the Court on Debtor's Application to
Employ The Mountain Group as Consultant for Debtor, and the Court having reviewed the
Application together with the Declaration of Kevin C. Adams, and finding that the
appointment is appropriate, and being otherwise fully advised in the premises; NOW,
THEREFORE,

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1 IT IS HEREBY ORDERED that Debtor is authorized to employ The
2 Mountain Group as of the Petition Date as Debtor's Consultant in all matters arising in or
3 related to this proceeding, and is further authorized to pay The Mountain Group a reasonable
4 fee for its services upon application and order of the Court.

5 DATED this ____ day of May, 2009, *nunc pro tunc* May 1, 2009.

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Paul B. Snyder,
United States Bankruptcy Judge

9 Presented by:

10 TONKON TORP LLP

11 By

Albert N. Kennedy, WSBA No. 15074
12 Timothy J. Conway, to be admitted *Pro Hac Vice*
13 Michael W. Fletcher, to be admitted *Pro Hac Vice*
E-mail: al.kennedy@tonkon.com
14 tim.conway@tonkon.com
michael.fletcher@tonkon.com
15 Attorneys for Debtor

16 cc: List of Interested Parties

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